GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1694
ANSWERED ON:12.12.2003
LOAN TO FARMERS THROUGH RRBs
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Will the Minister of FINANCE be pleased to state:

(a) the amount of loan provided by the Gramin Banks in various States particularly in Gujarat and Bihar during the last two years ;

(b) whether the farmers are not getting any special benefit following the increasing corruption in these banks;

(c) the reasons therefor; and

(d) the steps taken by the Government to provide sufficient loans to farmers through these banks?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE(SHRI ANANDRAO V. ADSUL)

(a): The total loans disbursed by RRBs in various States and in the States of Gujarat and Bihar during the last two years are as under:

(Rs Crore)

States	31-3-2002	31-3-2003
Total loans disbursed	10570.67	12641.00
Gujarat	305.36	355.08
Bihar	294.93	423.98

(b), (c) & (d) : The total loans disbursed by the RRBs increased from Rs10570.67crore during 2001-2002 to Rs 12641.00 crore during 2002-03 in the country. The disbursement increased by 19.59 % over the previous year. The steady growth in loans and advances from RRBs in country reveal that farmersare getting the benefit of the RRBs consistently. There are systems and procedures in place to look into the complaints/ charges of corruptions etc. levelled by the public/farmers against the staff of RRBs for sanction of loans, etc and to take corrective measures.

The following steps have also been taken to further improve the performance of the RRBs in providing loans to farmers: -

i) Forums such as State Level Bankers Committee (SLBC), District Level ReviewCommittee (DLRC), District consultative Committee (DCC), Block Level BankersCommittee (BLBC)etc. to review the target and achievement of the RRBs underthe priority sector lending and ensure smooth and timely flow of credit to the farmers by these banks;

ii) Close monitoring to ensure proper utilization of Bank credit under Swaranajayanti Gram Swarozgar Yogana;

iii) Formation of Self Hekp Groups in encouraged with a view to enhance availability of credit to the poor;

iv) Issue of Kisan Credit Cards to improve adequate and timely credit to farmers for the short term cultivation need, in a cost effective and simplified manner;

v) Loan application forms etc. in local languages have been printed and put to use;

vi) Speedy sanction of loans through increased delegation of sanctioning powers to Branch Managers; and
vii) Targets for lending under priority sector has been increased to 60% for RRBs